

**CITY OF MILWAUKIE**  
**BUDGET COMMITTEE MEETING**  
**February 11, 2019**

Budget Committee Members Present: Lisa Batey, Milo Denham, Angel Falconer, Mark Gamba, Kathy Hyzy, Wilda Parks, Mary Rowe and Jon Stoll

Citizens Utility Advisory Board (CUAB) Members Present: Vincent Alvarez, Laura Hanna, and Edward Simmons

Excused: Joel Bergman, Jesse Boumann, Michael Osborne, and Jacob Stetson

Staff Present: Kelly Brooks, Bonnie Dennis, Ann Ober, Peter Passarelli, Dave Peterson

**Chair Stoll** called the meeting to order at 5:35 pm.

Introductions were done. **Ms. Dennis** introduced Dave Peterson, the new Assistant Finance Director.

Approval of November 19, 2018, minutes

**It was moved by Ms. Parks and seconded by Ms. Batey to approve the November 19, 2018, meeting minutes as written. Motion passed unanimously.**

CUAB and Budget Committee Joint Meeting

**Mr. Passarelli** presented a PowerPoint outlining the CUAB's purpose, responsibilities, and upcoming action items in the next year.

**Ms. Dennis** presented a brief description of Oregon local budget law, the committee's role and responsibilities.

**Mr. Passarelli** explained the link between the CIP and the budget and where the projects originate.

**Ms. Batey** asked if CUAB or PSAC (Public Safety Advisory Committee) is responsible for the transportation projects.

**Ms. Ober** answered the CUAB answered the rate question and PSAC answered the policy question. A change is proposed to look at the CIP earlier than the budget hearing meetings.

**Chair Stoll** asked if the projects are paid with debt or revenue.

**Mr. Passarelli** responded up until now it has been revenue.

**Ms. Ober** stated debt is being applied for this week for the Meek Street project.

**Ms. Ober** offered time for the two committees to discuss other topics.

**Break**

Budget Transfer Discussion

**Ms. Dennis** stated there are two proposed budget transfers.

**Ms. Ober** stated the General Fund railroad grant match transfer request will not be needed. The grant funding deadline is March, and currently, the city does not have partners to assist in funding this project, so the city will not pursue the budget transfer at this time.

**Ms. Dennis** explained the General Fund transfer of one FTE position and expenses from the Finance department to the City Manager department. The \$277,000 transfer includes personnel and related materials and services costs. A motion is not needed for this transfer.

#### Committee Quarterly Update

**Ms. Dennis** presented the second quarter ending December 31, 2018, highlights; the audit is complete, and the results are incorporated into this report. Franchise fees, licenses and permits revenue will be receipted in the third quarter.

**Chair Stoll** asked about the Engineering department's FTE count.

**Ms. Ober** stated there has not been any turnover within the line staff. The recently hired City Engineer was not a fit, so the job will be posted, and a firm will be contracted to assist in the search.

**Ms. Dennis** stated Finance is fully staffed; and recognized **Mr. Peterson**.

**Mayor Gamba** asked if the parking enforcement officer is full time now.

**Ms. Ober** responded yes as of December 26, 2018.

Committee members briefly discussed the business registration renewal process this year.

**Ms. Dennis** continued with the interest revenue continues to be higher than anticipated due to an increase of the LGIP percentage rate. Miscellaneous revenue includes a sale of an asset, an Energy Trust rebate and a SAIF dividend. Continuing with the expenditures of the General Fund, Community Development, and Facilities have capital projects beginning later in the year. Engineering has unfilled positions.

**Ms. Ober** clarified that two positions are being held open in Engineering for the new City Engineer to determine how best to fill the need within the department.

**Ms. Dennis** next discussed Information Technology and Non-Departmental have maintenance fees and premiums that are paid at the beginning of the fiscal year. The Building Fund has had an increase in fees and charges due to development. The Library Fund interest revenue is mainly due to bond proceeds. The Transportation Fund's interest revenue is mainly due to bond proceeds; the bond interest rate is between 3.5% and 5%, which varies during the life of the bond. The Water Fund projects will begin later this fiscal year. The Wastewater Fund's debt service payments are twice a year. The Stormwater Fund's projects have not begun yet. The Affordable Housing Fund is doing well; revenue is over the projected budget. The URA Fund is on track with property tax revenue.

**Ms. Batey** asked about the AFF fund revenue division.

**Ms. Ober** answered that it is allocated for expenditures.

**Mayor Gamba** offered the residential and commercial taxes vary in amount, according to state law.

**Ms. Dennis** pointed out the project status report to members.

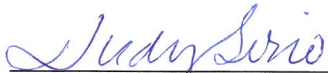
Anything Further to Discuss

**Ms. Ober** stated the next meeting on May 20<sup>th</sup> will include Oregon budget law training. If members have any questions they would like addressed during the training, they will be included in the curriculum.

Adjourn

It was moved by **Mayor Gamba** and seconded by **Ms. Falconer** to adjourn the meeting at 6:28 p.m. Motion passed unanimously.

Respectfully submitted,



Judy Serio, Accountant

